
ARIZONA ANNUAL HEALTH PLANS SURVEY – FREQUENTLY ASKED QUESTIONS

Q: How does the Department determine which insurers are required to complete the Arizona Annual Health Plans Survey?

A: The Department uses the following criteria to determine which insurers to survey for the Arizona Annual Health Plans Survey: Disability insurers that reported more than \$100,000 in Accident & Health written premiums in Arizona during the preceding calendar year, (in this instance 2015), Health Care Service Organizations (HCSOs)/Health Maintenance Organizations (HMOs), and Prepaid Dental insurers. The survey also applies to Property & Casualty insurers that reported \$50,000 or more in Accident & Health written premiums in Arizona during the preceding calendar year, and new Life & Disability insurers admitted to Arizona during the current calendar year (in this instance 2016).

Q: What are the reporting requirements for the Arizona Annual Health Plans Survey?

A: The survey asks for data related to fully insured Arizona business issued by Arizona admitted life or disability insurers, health care service organizations, hospital/medical/dental/optometric service corporations, fraternal benefit societies, and prepaid dental plan organizations. When the survey asks for Major Medical data, it is referring to health plan products filed under the following SERFF Types of Insurance (TOIs): H15G, H15I, H16G, H16I, HOrg2G, and HOrg2I, including: individual, small and large group major medical, including grandfathered and transitional policies. The survey also asks for data related to limited benefit products as defined by [ARS §20-1137](#). In addition, the survey also asks for senior products, including long-term care and home health care, Medicare Supplement and Medicare Advantage plans. The survey excludes: surplus lines, stop-loss business, credit insurance, stand-alone Medicare Part D plans, and self-insured programs operated by a single employer for the benefit of its employees or the employees of a wholly owned subsidiary.

You may also refer to [ARS §20-115](#) for exemptions over certain health care providers from Department jurisdiction.

The above referenced statutes are available at <http://www.azleg.gov/arsDetail/?title=20>.

The TOI definitions are available at www.naic.org/documents/industry_pcm_lahac.pdf.

The definition of grandfathered policies is available at http://www.cms.gov/CCIIO/Resources/Files/factsheet_grandfather_amendment.html.

The definition of transitional policies is available at <https://insurance.az.gov/final-extension-transition-policies-through-december-31-2017>.

Q: Should the policy data reported be based on the issue state (policies issued in Arizona covering Arizona residents) or resident state (policies issued in other states but the policyholder resides in Arizona)?

A. Both. Report policies issued in Arizona plus Arizona lives covered in Arizona, and Arizona lives covered under policies issued elsewhere. The Department is requesting data for group coverage products that includes the total number of group policies issued in Arizona and the total number of Arizona residents covered under a group policy, regardless of the state of issue.

Under the Group Policies section, please report the total number of group policies where the master policy was issued in Arizona. Under the Certificates section, report the total number of certificate holders that reside in Arizona and are covered under a group policy, regardless of where the master policy was issued. Under the Covered Lives section, report the total number of Arizona certificate holders, plus any Arizona dependents covered under a group policy, regardless of where the master policy was issued.

Additional explanations and references to aid completion of the survey:

TYPES OF INSURANCE (TOIs): These numbers identify the types of products being filed by the issuer through SERFF (System for Electronic Rate and Form Filing). TOIs are referenced in the survey merely to provide clarification about which major medical products should be included in the overall counts. The TOI definitions are available at www.naic.org/documents/industry_pcm_lahac.pdf.

ARS §20-2301(A)(11) HEALTH BENEFITS PLAN: means a hospital and medical service corporation policy or certificate, a health care services organization contract, a group disability policy, a certificate of insurance of a group disability policy that is not issued in this state, a multiple employer welfare arrangement or any other arrangement under which health services or health benefits are provided to two or more individuals. Health benefits plan does not include the following:

- (a) Accident only, dental only, vision only, disability income only or long-term care only insurance, fixed or hospital indemnity coverage, limited benefit coverage, specified disease coverage, credit coverage or Taft-Hartley trusts.
- (b) Coverage that is issued as a supplement to liability insurance.
- (c) Medicare supplemental insurance.
- (d) Workers' compensation insurance.
- (e) Automobile medical payment insurance.

GRANDFATHERED POLICIES: Insurers should report Grandfathered policies separately in the appropriate section on the Arizona Annual Health Plans Survey, as well as in the overall total of individual, small and large group major medical. Please note, each insurer for which you are reporting should be able to tell you whether its plan(s) have grandfathered status. “Grandfathered Plans” (policy) are defined in [45 CFR Part 147.140\(a\)](http://www.fda.gov/oc/ohrt/45CFR147.140a.pdf). The following additional resources may be helpful:

- Marketplace definition - <https://www.healthcare.gov/health-care-law-protections/grandfathered-plans/>
- Center for Consumer Information & Insurance Oversight (CCIIO) website <https://www.cms.gov/ccio/index.html>.

TRANSITIONAL POLICIES (a.k.a. Grandmothered policies): Transitional policies are those that were issued between March 23, 2010 and December 31, 2013. See CMS Guidance <https://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/final-transition-bulletin-2-29-16.pdf>. The Department announced that insurers in the individual and small group major medical health insurance markets may choose to renew transitional policies through October 1, 2017 with all policies ending on December 31, 2017: [Final Extension of Transition Policies through December 31, 2017.https://insurance.az.gov/sites/default/files/documents/files/PR2016-002_2017TransitionPolicy20160325_0.pdf](https://insurance.az.gov/sites/default/files/documents/files/PR2016-002_2017TransitionPolicy20160325_0.pdf). This decision extends the [Department’s prior determination on transitional plans as outlined on March 27, 2015](https://www.azdhs.gov/documents/health-plans/transition-plans/transition-plans-2015.pdf).

ASSOCIATION POLICIES: Association plans marketed to individuals are individual health insurance (45 CFR §§ 144.102(c), 148.122(h), 150.103). If your plans are marketed to individuals, they should be filed and reported as Individual. If they are only marketed to groups, they can be reported as group. **Please refer to the following links for definitions of 'association' as they apply to the survey.**

Federal definitions of Association health insurance:

45 CFR §§ 144.102 and 144.103 <http://www.gpo.gov/fdsys/pkg/CFR-2013-title45-vol1/pdf/CFR-2013-title45-vol1-sec144-102.pdf>
45 CFR § 148.122 - http://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=61a7f1bc7d3e036880c3f9490f5a9259&mc=true&r=PART&n=pt45.1.148#se45.1.148_1122 and Amended effective January 17, 2017 <http://www.ecfr.gov/cgi-bin/text-idx?SID=61a7f1bc7d3e036880c3f9490f5a9259&mc=true&node=20161222y1.80>
45 CFR § 150.103 - http://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=61a7f1bc7d3e036880c3f9490f5a9259&mc=true&r=PART&n=pt45.1.150#se45.1.150_1103
45 CFR § 154.102 - <http://www.gpo.gov/fdsys/pkg/CFR-2011-title45-vol1/pdf/CFR-2011-title45-vol1-sec154-102.pdf>
45 CFR 156.80 - <http://www.ecfr.gov/cgi-bin/retrieveECFR?gp=1&SID=61a7f1bc7d3e036880c3f9490f5a9259&ty=HTML&h=L&r=PART&n=45y1.0.1.2.71> and Amended effective January 17, 2017 <http://www.ecfr.gov/cgi-bin/text-idx?SID=61a7f1bc7d3e036880c3f9490f5a9259&mc=true&node=20161222y1.102>

CCIIO Guidance for Association Products:

- https://www.cms.gov/CCIIO/Resources/Files/Downloads/association_coverage_9_1_2011.pdf
- http://www.cms.gov/CCIIO/Resources/Files/Downloads/cciiio_plan_finder_hios_guidance_09302011.pdf
- http://www.cms.gov/CCIIO/Resources/Fact-Sheets-and-FAQs/qa_hmr.html (see Q No. 8)

State definitions of Association:

ARS §20-1401(A)(2) - <http://www.azleg.gov/viewdocument/?docName=http://www.azleg.gov/ars/20/01401.htm>
ARS §20-2324(A) - <http://www.azleg.gov/viewdocument/?docName=http://www.azleg.gov/ars/20/02324.htm>
ARS §20-1098(4) [HMOs] - <http://www.azleg.gov/viewdocument/?docName=http://www.azleg.gov/ars/20/01098.htm>

DEFINITION OF SMALL GROUP IN ARIZONA: <https://insurance.az.gov/impact-pace-act-arizona>

For questions regarding the definition of “small group” and “small employer” and/or the effects of the PACE Act or [H.R. 1624](#), which was signed into law on October 7, 2015, and amends the provision of the Affordable Care Act ([42 USC 18024](#)) that defines small and large group employers as 1-100 employees. Arizona will retain its existing definition of small group insurance under [ARS §20-2301\(A\)\(21\)](#) as 2-50 employees.

Employee eligibility is determined by the employer under [ARS §20-2307\(A\)](#).

The link for 42 USC 18024 contains definitions relating to “group”, “individual”, “large group” and “small group” markets, as well as the definitions of “large employer”, “small employer” and “state optional definition” of small employer:

<http://uscode.house.gov/view.xhtml?req=%28title:42%20section:18024%20edition:prelim%29>

Q: Where should the data for AD&D be input?

A: AD&D – Accidental Death & Dismemberment policies should be recorded under the “All Other Limited Benefit” section of the Arizona Annual Health Plans Survey, with a description of the policies listed in the *Describe “Other Limited Benefit”* section.

The section for “Accident Only” should only include those products defined in [ARS §20-1137](#) as Limited Benefit Products.

Q: Do insurers that only write individual and large group stand-alone dental plans have to complete the survey?

A: Yes, stand-alone dental plans are included in the survey.

Q: Do insurers that only write credit life and credit disability products have to complete the survey?

A: No, credit products are not included in the survey.

Q. Does the survey apply to surplus lines?

A: No, surplus lines are not included in the survey. The survey applies to disability insurers reporting at least \$100,000 and property & casualty insurers that reported \$50,000 or more in accident & health direct written premiums in Arizona during the reporting period/calendar year.

Q: What is a HIOS #?

A: HIOS stands for the Health Insurance Oversight System (HIOS) and is an ID number issued by CMS for to access the HIOS Portal. Only insurers offering major medical plans would have a HIOS ID (but, Medicare Advantage and Medicare Supplement issuers may also have one). The HIOS is the federal government’s primary data collection vehicle for health insurance “Exchanges” Marketplaces.

Q: How do I request an exemption from completing the Arizona Annual Health Plans Survey?

A: You may contact the Department in writing at marketconduct@azinsurance.gov with an explanation as to why you believe your company is exempt from submitting the survey. Because survey requirements may change from one year to another, you must request an exemption for the current survey even if the Department has granted an exemption in the past.

Q: How do I request an extension to complete the Arizona Annual Health Plans Survey?

A: You may contact the Department in writing at marketconduct@azinsurance.gov with a detailed explanation as to why you are unable to submit the survey by the requested deadline, along with an estimated time that you will be able to submit a completed response.

Q: How do I get more information?

A: If you are unable to find the information you need within this document, please contact the Market Oversight Division at marketconduct@azinsurance.gov or (602) 364-4994.